

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

Re: ECF Nos. 741, 967, 1043

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO

Debtor.

PROMESA

Title III

No. 17 BK 3283-LTS

This Informative Motion relates only to the Commonwealth and shall only be filed in the lead Case No. 17 BK 3283-LTS

**URGENT INFORMATIVE MOTION REGARDING URGENT MOTION FOR RELIEF
FROM THE AUTOMATIC STAY FILED BY BERNICE BEAUCHAMP-VELÁZQUEZ
[ECF NO. 714]**

To the Honorable United States District Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the “Commonwealth”) respectfully submits this informative motion (“Informative Motion”) and states as follows:²

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

1. Upon review of the *Reply to Objection to Urgent Motion for Relief from the Automatic Stay, Request for Expedited Hearing Pursuant to Section 362(d) and the Order at Docket Entry No. 743 and for Issuance of an Order Soliciting Briefs Amici Curiae* [ECF No. 1043], filed by Bernice Beauchamp-Velázquez (“Movant”), the *de minimis* amount of Movant’s alleged claims against the Commonwealth, and the Department of Justice (“DOJ”) documentation regarding this matter, and after consultation with the DOJ, the Commonwealth informs the Court that it has revised the position set forth in the *Objection of the Commonwealth to Urgent Motion for Relief from the Automatic Stay Filed By Bernice Beauchamp* [ECF No. 967] (the “Objection”)³ and agrees to the alternate relief sought by Movant in the Motion – i.e., lifting the automatic stay to allow Movant’s Prepetition Action to proceed in the District Court (Case No. 17-1419), including to permit payment of attorney fees.⁴

2. Prior to filing this Informative Motion, the DOJ contacted counsel for Movant and proposed that the parties enter into a joint stipulation to allow Movant proceed with the Prepetition Action. However, Movant was unwilling to agree to the Commonwealth’s proposal to lift the automatic stay. Despite this, the Commonwealth respectfully requests that the automatic stay should be lifted to allow the District Court to enter a ruling with respect to Movant’s attorneys’ fees in the District Court Action and allow Movant to enforce against the Commonwealth any judgment entered by the District Court to collect such attorneys’ fees.

² The Financial Oversight and Management Board for Puerto Rico, as the Debtors’ representative pursuant to section 315(b) of the Puerto Rico Oversight, Management, and Economic Stability Act, has authorized the Department of Justice to file this Informative Motion on behalf of the Commonwealth.

³ Capitalized terms not otherwise defined herein shall have the meanings given to them in the Objection.

⁴ The Commonwealth’s willingness to lift the automatic stay with respect to the Prepetition Action should not be construed as a waiver or modification of the automatic stay to permit the prosecution against the Commonwealth of any claim by anyone other than Movant as provided for herein, and the Commonwealth reserves all rights, defenses, and protections with respect to any other motions for relief of stay or any other matters pending in the Commonwealth’s Title III case. Nor does the Commonwealth encourage any other party to collaterally attack the decisions of federal courts as Movant did here.

3. The Commonwealth further asserts that because it has consented to Movant's alternative requested relief to lift the automatic stay to allow the Prepetition Action to proceed, the Motion is moot and no hearing on the Motion is necessary. The Commonwealth believes this outcome is in the best interests of the Commonwealth's creditors, stakeholders, and other parties in interest.

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WHEREFORE, the Commonwealth requests that the Court lift the automatic stay to allow the Prepetition Action to proceed to judgment to determine the amount of attorneys' fees owed to Movant and allow Movant to enforce against the Commonwealth any judgment entered by the District Court to collect such attorneys' fees.

Dated: August 22, 2017
San Juan, Puerto Rico

Respectfully submitted,

WANDA VÁZQUEZ GARCED
Secretary of Justice

/s/ Wandymar Burgos Vargas
WANDYMAR BURGOS VARGAS
USDC 223502
Deputy Secretary in Litigation
Department of Justice
P.O. Box 9020192
San Juan, Puerto Rico 00902-0192
Phone: 787-721-2940 Ext. 2500, 2501
wburgos@justicia.pr.gov

Attorneys for the Commonwealth of Puerto Rico